



LEGISLATIVE FISCAL OFFICE

Fiscal Note

Fiscal Note On: **HB 590** HLS 09RS 1435
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:

Proposed Amd.: **w/ PROP SEN COMM AMD**
Sub. Bill For.:

Date: June 10, 2009 5:03 PM	Author: BARROW
Dept./Agy.: Education/Social Services	
Subject: Enrollment of students in foster care	Analyst: Mary Kathryn Drago

SCHOOLS/ENROLLMENT EG INCREASE EX See Note Page 1 of 2

Requires public school governing authorities to ensure that children in foster care are allowed to remain enrolled in the same public schools in which they were enrolled when entering foster care

Part 1 of the proposed legislation requires each public school to establish a policy to ensure that a child who is in foster care to be allowed to remain enrolled in the public school in which the child was enrolled at the time he entered foster care if the Department of Social Services determines that it is in the best interest of the child. If foster care placement is outside the jurisdictional boundaries of the public school where the child is enrolled, the governing authority of such school shall be responsible for providing free transportation for the child to and from a designated location within the school district nearest the child’s residence determined to be appropriate by the governing authority and the Department of Social Services. The Department of Social Services is responsible for providing the child’s transportation between that location and the child’s residence. **Part 2** of the proposed legislation enacts the “Interstate Compact on Educational Opportunity for Military Children”. The compact intends to remove barriers to educational success for children of military families due to frequent moves and the deployment of their parents. Each member state is required to create a State Council, **CONTINUED ON PG 2**

EXPENDITURES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Part 1 costs (foster care): State General Fund and Federal Fund expenditures may increase as a result of the Department of Social Services providing transportation of students in foster care. The proposed legislation delays implementation until January 1, 2010. According to the Department of Social Services (DSS), this timeframe will allow them to work with local school systems to develop transportation plans and redirect recruitment efforts to reduce the number of children requiring out of school jurisdiction placements. Costs are dependent upon the number of eligible students, the cost of transportation, and the distance the students must be transported.

DSS indicates that the proposed legislation currently impacts approximately 2,300 students. However, DSS indicates that it would be in the best interest of a small percentage of those students to be transported to the school in which they were enrolled at the time they entered foster care. Based upon the percentages of students that may need transportation, the estimated cost is \$215,280. According to DSS, some of the children may be eligible for federal Title IV-E funding which has a 50% State General Fund match rate. The Department of Social Services estimated that 47% of the children may be eligible for the Title IV-E funding. The estimated cost of \$215,280 is broken out as follows: \$215,280 * 47% = \$101,181 * 50% = \$50,591 Federal Funds; \$215,280 - \$50,591 = \$164,689 State General Funds. These numbers are based upon the number of students eligible for transportation services in the current fiscal year; however, DSS anticipates this number to be lower based upon increased recruiting efforts to reduce the number of children requiring out of school jurisdiction placements.

Part 2 costs (military children): State general fund expenditures will increase by an indeterminable amount as a result of enacting the “Interstate Compact on Educational Opportunity for Military Children”. Annual assessment costs: Compact members must pay an annual assessment set by the Interstate Commission. According to the Council of State Governments, the cost to member states is \$1 per student covered under the agreement. Currently, Louisiana has about 9,800 students that are dependents of military families. Therefore, the cost for the annual assessment for Louisiana at this time is approximately \$9,800. However, the costs in subsequent fiscal years may change depending upon the costs of the commission and the number of students whose parents or guardians are serving on active duty. **CONTINUED ON PG 2**

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate	Dual Referral Rules	House	
<input type="checkbox"/> 13.5.1 >= \$500,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	H. Gordon Monk Legislative Fiscal Officer



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CONTINUED EXPLANATION from page one:

CONTINUATION OF PURPOSE OF THE BILL:

or to use an existing body or board, to coordinate the state’s participation and compliance with the compact and interstate commission activities. The compact requires that the council members must include the state superintendent of education, a superintendent of a school district with a high concentration of military children, representative from a military installation, one representative each from the legislative and executive branches of government, and other offices and stakeholder groups the council deems appropriate. The council must appoint or designate a military family education liaison to assist military families and the state in facilitating the implementation of the compact. The compact requires the collection of standardized data concerning the educational transition of the children of military families under this compact as directed through its rules which shall specify the data to be collected. The Interstate Commission is authorized to levy an annual assessment on state members to fund the operations of the commission. The compact commissioner responsible for the administration and state’s participation in the compact shall be appointed by the Governor or as otherwise determined by each member state. The commission promulgates rules and takes all necessary actions to effect the goals in the compact. The commissions rules have the force and effect of statutory law and are binding in the compact’s states to the extent and in the manner provided in the compact. The commission has the authority to enforce compliance with the compact provisions, the rules promulgated by the commission, and the bylaws, using all necessary and proper means, including but not limited to the use of the judicial process.

The Act shall become effective on January 1, 2010.

CONTINUATION OF THE EXPENDITURE EXPLANATION OF THE BILL:

State Council and related costs: The legislation is silent on the compensation for the council members, military family education liaison, or commissioner, however, the Legislative Fiscal Office assumes that the council members may at least be reimbursed for travel or other related expenses. The legislation also does not specify which departments will provide support to the council. It is assumed that the Department of Education, the Department of Military Affairs, or the Governors Military Advisory Council may provide support to this council. However, additional personnel may be required in the event that the workload of the military family education liaison or council is significant. This determination may need to be made if the legislation is enacted and the workload warrants the increase in personnel. The Compact Commissioner will incur travel costs to attend state and national meetings. The estimated increase in expenditures related to expenses of the council, the additional personnel and commissioner travel costs cannot be determined.

Other potential costs: In the event that the judicial process may be used to enforce state compliance with the compact provisions, state expenditures will increase. Currently Louisiana is in compliance with a majority of the requirements in the Interstate Compact, therefore, it is not likely that such process may be used. However, according to a study conducted by the Board of Elementary and Secondary Education on the Interstate Compact pursuant to HR 109 of the 2007 Regular Session of the Legislature, the language in the compact that relates to the promulgation of rules, the rules having the force and effect of statutory law, and the ability of the compact to enforce compliance using the judicial process create concerns about future rules. BESE indicated, for the state to be eligible for grant monies and to maintain the state accountability system, this language may result in unintended consequences, and may negatively impact future resources available.

Local costs: Schools that educate military children may incur increased administrative costs as a results of the requirements of the compact, but such costs are indeterminable. It is anticipated that the costs to the local school districts would not be significant as a majority of the requirements in the compact are already in line with current law and BESE policy. According to the Department of Defense, under the compact, sending states will be operating under uniform guidelines and there will be fewer children transferring to Louisiana handled in a case-by-case manner, thus saving time, money, and duplicative efforts.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	
<input type="checkbox"/> 13.5.1 >= \$500,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost	H. Gordon Monk
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	Legislative Fiscal Officer